

ORIGINAL





August 22,2002

Commissioner Michael J. Copps Federal Communications Commission 445 Twelfth Street, S.W. Washington, D.C. **20554**

Re: Ex parte contact in CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200 and 95-116; Universal Service Contribution Reform

Dear Commissioner Copps:

Cargill, Inc. is pleased that the Commission is considering new methods for funding universal service. The current approach, which assesses contribution obligations based on interstate and international revenues, is uneconomic and therefore unsustainable, and should be replaced with a method that assesses contribution obligation based on lines and activated wireless numbers. Cargill, however, strongly objects to a recent proposal made by certain state regulators to freeze the assessments attributable to residential lines.

Cargill, Inc. is one of many business customers paying a federal universal service surcharge of between 8% and 10.6%. **This** revenue-based percentage charge requires high-volume users to pay a disproportionate amount of universal service costs. **As** a result, the current system discourages use of productivity-enhancing communications technologies and creates a strong financial incentive for high-volume customers to use alternative technologies and service packages to reduce their costs – not a good result as our country fights its way out of recession.

The Commission should replace the current revenue-based universal service surcharge with a more equitable charge that would apply to every customer's connection to the network – to residential and business lines on wireline networks and activated telephone numbers on wireless networks. The Commission has requested comment on a universal service funding plan that includes such line and number charges, proposed by a coalition consisting of The Ad Hoc Telecommunications Users Committee, AT&T, e-TUG, and WorldCom. Under this proposal, increases and decreases in universal service subsidies would be reflected in uniform percentage adjustments to all per line and wireless number charges. Cargill, Inc. urges you to adopt this connection-based proposal.

Cargill, Inc. also strongly objects to a recently filed proposal by certain state regulators that would freeze for live years the line **arid** achvared wireless number charges applied to residential and single iine business customers. This proposal advances no legitimate public interest objective. Indeed, there is not a shred **of** evidence that proportionate increases in all line and number USF charges, if needed, would adversely affect residential telephone subscription levels or unfairly burden residential telephone service customers. The slate regulators would subject business users alone to added subsidy burdens, burdens that could be quite substantial and that could undermine historic support for universal service subsidies.

Very truly yours,

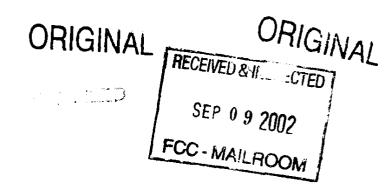
Larry Gessini / / Manager, Global Network Services

/nn

Phone: 952.984.5525

Fax: 952.984 5909





August 22.2002

Commissioner Michael J. Copps Federal Communications Commission 445 Twelfth Street, S.W. Washington, D.C. 20554

Re: Ex parte contact in CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200 and 95-1 16: Universal Service Contribution Reform

Dear Commissioner Copps:

Cargill, Inc. is pleased that the Commission is considering new methods **for** Funding universal service. The current approach, which assesses contribution obligations based on interstate and international revenues, **is** uneconomic and therefore unsustainable, and should be replaced with a method that assesses contribution obligation based on lines and activated wireless numbers. Cargill, however, strongly objects to a recent proposal made by certain state regulators to freeze the assessments attributable to residential lines.

Cargill, Inc. is one of many business customers paying a federal universal service surcharge of between 8% and 10.6%. This revenue-based percentage charge requires high-volume users to pay a disproportionate amount of universal service costs. As a result, the current system discourages use of productivity-enhancing communications technologies and creates a strong financial incentive for high-volume customers to use alternative technologies and service packages to reduce their costs – not a good result as our country fights its way out ofrecession.

The Commission should replace the current revenue-based universal service surcharge with a more equitable charge that would apply to every customer's connection to the network – to residential and business lines on wireline networks and activated telephone numbers on wireless networks. The Commission has requested comment on a universal service funding plan that includes such line and number charges, proposed by a coalition consisting of The Ad Hoc Telecommunications Users Committee, AT&T, e-TUG, and WorldCom. Under this proposal, increases and decreases in universal service subsidies would be reflected in uniform percentage adjustments to all per line and wireless number charges. Cargill, Inc. urges you Io adopt this connection-based proposal.

Cargill, Inc. also strongly objects to a recently filed proposal by certain state regulators that would freeze for **five years** the line and activated wireless number charges applied to residential and single iine business customers. This proposal advances no legitimate public interest objective. Indeed, there is not a shred **of** evidence that proportionate increases in all line and number USF charges, **if** needed, would adversely affect residential telephone subscription levels or unfairly burden residential telephone service customers. The state regulators would subject business users alone to added subsidy burdens, burdens that could be quite substantial and that could undermine historic support for universal service subsidies.

Verx truly yours,

Manager, Global Network Services

/nn

PO Box 5604 Minneapolis, MN 55440-5604

Phone 952 984.5525 Fax' 952 984 5909





Commissioner Michael J. Copps Federal Communications Commission 445 Twelfth Street, S.W. Washington, D.C. 20554

Re: *Ex parte* contact in CC Docket **Nos.** 96-45, 98-171, 90-571, 92-<u>237, 99-200</u> and 95-1 **16**: Universal Service Contribution Reform

Dear Commissioner Copps:

Cargill, Inc. is pleased that the Commission is considering new methods for funding universal service. The current approach, which assesses contribution obligations based on interstate and international revenues, is uneconomic and therefore unsuslainable, and should be replaced with a method that assesses contribution obligation based on lines and activated wireless numbers. Cargill, however, strongly objects to a recent proposal made by certain state regulators to freeze the assessments attributable lo residential lines.

Cargill, Inc. is one of many business customers paying a federal universal service surcharge of between 8% and 10.6%. This revenue-based percentage charge requires high-volume **users** to pay a disproportionate amount of universal service costs. **As** a result, the current system discourages use **ofproductivity-enhancing** communications technologies and creates a strong financial incentive for high-volume customers to use alternative technologies and service packages to reduce their costs – not a good result as our country fights its way out of recession.

The Commission should replace the current revenue-based universal service surcharge with a more equitable charge that would apply to every customer's connection to the network – to residential and business lines on wireline networks and activated telephone numbers on wireless networks. The Commission has requested comment on a universal service Funding plan that includes such line and number charges, proposed by a coalition consisting of The Ad Hoc Telecommunications Users Committee, AT&T, e-TUG, and WorldCom. Under this proposal, increases and decreases in universal service subsidies would be reflected in uniform percentage adjustments to all per line and wireless number charges. Cargill, Inc. urges you to adopt this connection-based proposal.

Cargill, Inc. also strongly objects to a recently filed proposal by certain state regulators that would freeze for five years the line arid activated wireless number charges applied to residential and single line business customers. This proposal advances no legitimate public interest objective. Indeed, there is not a shred of evidence that proportionate increases in all line and number USF charges, ifneeded, would adversely affect residential telephone subscription levels or unfairly burden residential telephone service customers. The state regulators would subject business users alone to added subsidy burdens, burdens that could be quite substantial and that could undermine historic support for universal service subsidies.

Very truly yours.

Manager, Global Network Services

/nn

PO Box 5604 Minneapolis, MN 55440-5604

Phone 952 984 5525 Fax. 952 984.5909





Commissioner Michael J. Copps Federal Communications Commission **445** Twelfth Street, **S.W.** Washington, D.C. **20554**

Re: Ex parte contact in CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200 and 95-116: Universal Service Contribution Reform

Dear Commissioner Copps:

Cargill, Inc. is pleased that the Commission is considering new methods for funding universal service. The current approach, which assesses contribution obligations based on interstate and international revenues, is uneconomic and therefore unsustainable, and should be replaced with a method that assesses contribution obligation based on lines and activated wireless numbers. Cargill, however, strongly objects to a recent proposal made by certain state regulators to freeze the assessments attributable to residential lines.

Cargill, Inc. is one of many business customers paying a federal universal service surcharge of between 8% and 10.6%. This revenue-based percentage charge requires high-volume users to pay a disproportionate amount of universal service costs. As a result, the current system discourages use ofproductivity-enhancing communications technologies and creates a strong financial incentive for high-volume customers to use alternative technologies and service packages to reduce their costs – not a good result as our country fights its way out ofrecession.

The Commission should replace the current revenue-based universal service surcharge with a more equitable charge that would apply to every customer's connection to the network – to residential and business lines on wireline networks and activated telephone numbers on wireless networks. The Commission has requested comment on a universal service funding plan that includes such line and number charges, proposed by **a** coalition consisting of The **Ad** Hoc Telecommunications Users Committee, AT&T, e-TUG, and WorldCom. Under this proposal, increases and decreases in universal service subsidies would be reflected in uniform percentage adjustments to all per line and wireless number charges. Cargill, Inc. urges you to adopt this connection-based proposal.

Cargill, Inc. also strongly objects to a recently filed proposal by certam state regulators that would freeze for five years the line **arid** activared **wireless** number charges applied to residential and single line business customers. This proposal advances no legitimate public interest objective. Indeed, there is not a shred **af** evidence that proportionate increases in all line and number USF charges, if needed. would adversely affect residential telephone subscription levels or unfairly burden residential telephone service customers. The state regulators would subject business users alone to added subsidy burdens, burdens that could be quite substantial and that could undermine historic support for universal service subsidies.

Very truly yours,

Larry Gessini

Manager, Global Network Services

/nn

Phone: 952.984.5525

Fax: 952.984.5909







Commissioner Michael J. Copps Federal Communications Commission 445 Twelfth Sueet, S.W. Washington, D.C. 20554

Re: Exparrecontact in CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200 and 95-1 16: Universal Service Contribution Reform

Dear Commissioner Copps:

Cargill, Inc. is pleased that the Commission is considering new methods for funding universal service. The current approach, which assesses contribution obligations based on interstate and international revenues, is uneconomic and therefore unsustainable, and should be replaced with a method that assesses contribution obligation based on lines and activated wireless numbers. Cargill. however, strongly objects to a recent proposal made by certain state regulators to freeze the assessments attributable to residential lines.

Cargill, Inc. is one of many business customers paying a federal universal service surcharge of between 8% and 10.6%. This revenue-based percentage charge requires high-volume users to pay a disproportionate **amount** of universal service costs. As a result, the current system discourages use **ofproductivity-enhancing** communications technologies and creates a strong financial incentive for high-volume customers to use alternative technologies and service packages to reduce their costs – not a good result as our **country** fights its way out of recession.

The Commission should replace the current revenue-based universal service surcharge with a more equitable charge that would apply **to** every customer's connection to the network – to residential and business lines on wireline networks and activated telephone numbers on wireless networks. The Commission has requested comment on a universal service funding **plan** that includes such line and number charges, proposed by a coalition consisting of The Ad Hoc Telecommunications Users Committee, AT&T, e-TUG, and WorldCom. Under this proposal, increases and decreases in universal service subsidies would be reflected in uniform percentage adjustments to all per line and wireless number charges. Cargill. Inc. urges you to adopt this connection-based proposal.

Cargill, Inc. also strongly objects to a recently filed proposal by certain state regulators that would freeze for **five** years the iinc and aciivared wireless number *charges* applied to residential **and single** iine business customers. This proposal advances no legitimate public interest objective. Indeed, there is not a shred of evidence that proportionate increases in all line and number USF charges, if needed, would adversely affect residential telephone subscription levels or unfairly burden residential telephone service customers. The state regulators would subject business users alone to added subsidy burdens burdens that could be quite substantial and that could undermine historic support for universal service subsidies.

Very truly yours,

Larry Gessini

Manager, Global Network Services

/nn

Phone 952 984 5525

Fax 952 984 5909







Commissioner Michael J. Copps Federal Communications Commission 445 Twelfth Street, S.W. Washington, D.C. 20554

Re: Exparrecontact in CC Docket Nos. 96-45.98-171.90-571, 92-237, 99-200 and 95-1 16; Universal Service Contribution Reform

Dear Commissioner Copps:

Cargill, Inc. is pleased that the Commission is considering new methods for funding universal service. The current approach, which assesses contribution obligations based **on** interstate and international revenues, is uneconomic and therefore unsustainable, and should be replaced with a method that assesses contribution obligation based on lines and activated wireless numbers. Cargill, however, strongly objects to a recent proposal made by certain state regulators to freeze the assessments attributable to residential lines.

Cargill. Inc. is one of many business customers paying a federal universal service surcharge of between 8% and 10.6%. This revenue-based percentage charge requires high-volume users to pay a disproportionate amount of universal service costs. As a result, the current system discourages use ofproductivity-enhancing communications technologies and creates a strong financial incentive for high-volume customers to use alternative technologies and service packages to reduce their costs – not a good result as our country fights its way out of recession.

The Commission should replace the current revenue-based universal service surcharge with a more equitable charge that would apply to every customer's connection to the network - to residential and business lines on wireline networks and activated telephone numbers on wireless networks. The Commission has requested comment on a universal service funding plan that includes such line and number charges, proposed by a coalition consisting of The Ad Hoc Telecommunications Users Committee, AT&T, e-TUG, and WorldCom. Under this proposal, increases and decreases in universal service subsidies would be reflected in uniform percentage adjustments to all per line and wireless number charges. Cargill, Inc. urges you to adopt this connection-based proposal.

Cargill, Inc. also strongly objects to a recently filed proposal by certain state regulators that would freeze for five years the iinc and activated wireless number charges applied to residential and single iine business customers. This proposal advances no legitimate public interest objective. Indeed, there is not a shred of evidence that proportionate increases in all line and number USF charges, if needed, would adversely affect residential telephone subscription levels or unfairly burden residential telephone service customers. The state regulators would subject business users alone to added subsidy burdens. burdens that could be quite substantial and that could undermine historic support for universal service subsidies.

Very truly yours.

Manager, Global Network Services

/nn

PO BOX 5604 Minneapolis, MN 55440-5604

Phone, 952, 984 5525 Fax: 952.984.5909





Commissioner Michael J. Copps Federal Communications Commission 445 Twelfth Street, S.W. Washington, D.C. 20554

Re: Ex parte contact in CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200 and 95-116; Universal Service Contribution Reform

Dear Commissioner Copps:

Cargill, Inc. is pleased that the Commission is considering new methods for Funding universal service. The current approach, which assesses contribution obligations based on interstate and international revenues, is uneconomic and therefore unsustainable, and should be replaced with a method that assesses contribution obligation based on lines and activated wireless numbers. Cargill. however, strongly objects to a recent proposal made by certain state regulators to freeze the assessments attributable to residential lines.

Cargill, Inc. is one of many business customers paying a federal universal service surcharge of between 8% and 10.6%. This revenue-based percentage charge requires high-volume users to pay a disproportionate amount of universal service costs. **As** a result, the current system discourages use **ofproductivity-enhancing** communications technologies and creates a strong financial incentive for high-volume customers to use alternative technologies and service packages to reduce their costs – not a good result **as** our country fights its way out of recession.

The Commission should replace the current revenue-based universal service surcharge with a more equitable charge that would apply to every customer's connection to the network – to residential and business lines on wireline networks and activated telephone numbers on wireless networks. The Commission has requested comment on a universal service funding plan that includes such line and number charges, **proposed** by a coalition consisting of The Ad Hoc Telecommunications Users Committee, AT&T, e-TUG, and WorldCom. Under this proposal, increases and decreases in universal service subsidies would be reflected in uniform percentage adjustments to all per line and wireless number charges. Cargill, Inc. urges you to adopt this connection-based proposal

Cargill, Inc. also snongly objects to a recently filed proposal by certain state regulators that would freeze for live years the iine arid activated wireless number charges applied to residential and single iine business customers. This proposal advances no legitimate public interest objective. Indeed, there is not a shred of evidence that proportionate increases in all line and number USF charges, ifneeded, would adversely affect residential telephone subscription levels or unfairly burden residential telephone service customers. The state regulators would subject business users alone to added subsidy burdens, burdens that could be quite substantial and that could undermine historic support for universal service subsidies.

Phone: 952.984.5525

Fax: 952.984.5909

Very truly yours.

Manager. Global Network Services

inn